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FEDERAL COMMUNICATIONS COMMISSION OFFICE OF THE SECRETARY

October 6, 1994

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#### **EX PARTE**

William F. Caton Acting Secretary Federal Communications Commission Mail Stop 1170 1919 M Street, N.W., Room 222 Washington, D.C. 20554

Dear Mr. Caton:

Re: GN Docket No. 93-252 - Implementation of Sections 3(n) and 332 of the Communications Act; Regulatory Treatment of Mobile Services

On behalf of Pacific Bell and Pacific Bell Mobile Services, please find enclosed an original and six copies of their "Ex Parte Comments" in the above proceeding.

Please stamp and return the provided copy to confirm your receipt. Please contact me should you have any questions or require additional information concerning this matter.

Sincerely,

alon Cromporcus

Jeg

**Enclosures** 

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# Before the FEDERAL COMMUNICATIONS COMMISSION Washington, D.C. 20554

FEDERAL COMMUNICATIONS COMMISSION OFFICE OF THE SECRETARY

In the Matter of

Implementation of Sections 3(n) and 332 of the Communications Act

Regulatory Treatment of Mobile Services

GN Docket No. 93-252

# EX PARTE COMMENTS OF PACIFIC BELL AND PACIFIC BELL MOBILE SERVICES<sup>1</sup>

On September 26, 1994 the Department of Justice ("DOJ") filed ex parte comments relating to the Second Further Notice of Proposed Rulemaking in the above-captioned proceeding. In its comments the DOJ recommended that the Commission treat certain non-equity relationships such as management contracts as attributable interests for the purposes of various spectrum caps. DOJ says that management contracts which allow a party to determine or significantly influence prices or specific

Two copies of this ex parte presentation have been mailed under separate cover to Mr. William Caton, Commission Secretary.

<sup>&</sup>lt;sup>2</sup> DOJ, p. 6.

service offerings for two or more CMRS licensees in a single geographic market should be attributable.

We understand and support the DOJ's desire to address possible anti-competitive effects of joint marketing and management agreements and relationships. However, the standard DOJ proposes is so vague that it may have the opposite effect and deter entities from entering pro-competitive agreements. Specifically, how would the Commission or PCS licensees determine whether an agreement gives one licensee the power to "substantially influence" the prices or services of another licensee?

If the Commission intends to adopt the DOJ's recommendation, it must provide more specific criteria relating to its determination of what provisions of an agreement constitute a substantial influence over prices or services. In addition, PCS licensees that are experienced operators may wish to offer technical assistance to other PCS licensees in the same territory. Such limited agreements would have pro-competitive rather than anti-competitive results because they would strengthen new entrants to the telecommunications industry such as Designated Entities. The Commission should make it clear

that agreements to provide technical assistance are nonattributable interests.

Respectfully submitted,

PACIFIC BELL

PACIFIC BELL MOBILE SERVICES

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Date: October 6, 1994

### **CERTIFICATE OF SERVICE**

I, Nancy K. Choy, do hereby certify that a copy of the foregoing Ex Parte Comments of Pacific Bell and Pacific Bell Mobile Services re GN Docket No. 93-252, was hand-delivered or mailed via first class United States mail, postage prepaid, on this 6th day of October, 1994, to the parties on the following list.

Nancy K. Choy

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